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## President Ben Shelly Recommends Making \$25 million “Untouchable”

**WINDOW ROCK, Ariz.** – Navajo Nation President Ben Shelly recommended to keep \$25 million of the Navajo Nation’s Undesignated Unreserved Fund Balance as “untouchable” because of an uncertain federal budgetary future in Washington.

He made the recommendations during a report to the Navajo Nation Council’s Budget and Finance Committee Tuesday afternoon.

He delivered the joint report, entitled “Branch Chiefs Supplemental Appropriation Agreement,” with Navajo Council Speaker Johnny Naize and Chief Justice Herb Yazzie.

“Even though the Super Committee failed, they are still looking for \$1.2 trillion to reduce,” he told the committee.

He added that he is worried about the steps the federal government will take to reduce the federal budget, which may include leaving budget cuts to government personnel and not the elected leaders.

“I’m very concerned about that everyday,” he said.

Shelly’s announced his position at last week’s meeting with Yazzie and Naize.

However the three leaders couldn’t agree to Shelly’s proposed amount, but Yazzie and Naize agreed that they would agree to \$20 million as undesignated funds with \$10 million of that reserved for emergency use.

Regardless, the three leaders agreed to recommendations about spending about \$9.68 million.

They presented their agreement to the committee.

The agreement calls for the Navajo Nation to spend about \$9.68 million from the Undesignated Unreserved Fund Balance. The balance sits at nearly \$42 million.

Shelly emphasized that the \$9.68 million would go toward Navajo Nation programs that have services Navajo Nation wide. Moreover, that the money isn't designated for one community or chapter.

"There's a bunch of needs," he said, adding that Eastern Navajo needs services from the Navajo Nation too.

The agreement outlines spending that includes nearly \$5 million as matching funds for programs that receive grant funding. Some of the programs include Navajo Head Start, Navajo Air Transportation, Navajo Nation Transit System and Navajo Nation Solid Waste Management Program.

Shelly said the leaders agreed to these programs because without match funding, these programs risk losing some grant funding.

Also, \$1.5 million was recommended to be allocated to the remediation of Administration Building One, \$325,000 to a judicial administration lease and Chinle court building repair, and \$600,000 to the Legislative Complex.

Also, \$2.3 million was agreed upon to replenish the Personnel Lapse Fund, an account meant for raises for Navajo Nation employees.

Shelly pushed for saving more money in the UUFB.

"I am recommending that \$25 million remain un-appropriated, following the same purposes and criteria applied to the Minimum Fund Balance of the UUFB as set forth in the Appropriations Act," he told the committee.

The Appropriations Act mandates that the Navajo Nation can't make supplemental appropriations for ten percent of tribal revenues, which is about \$17 million this year.

Shelly wants \$25 million of the \$41.9 in the UUFB to be added to the 10 percent and designated as "untouchable."

"My priority is to save an additional \$25 million on top of the ten percent," he said.

He added that given the state of the federal government's uncertainty, the Navajo Nation should exercise fiscal responsibility.

"We don't have to spend the money just because we have it. Let's have it sit for a few months until we have a better outlook," he said.